

## SETTLEMENT AGREEMENT

This Agreement of Settlement ("Agreement") is entered into by and between Plaintiff-Relator Jennifer Perez ("Relator"), and defendant Stericycle, Inc. ("Stericycle"), through their authorized representatives. Relator and Stericycle are collectively the "Parties."

### RECITALS

#### WHEREAS:

A. Stericycle, based in Lake Forest, Illinois, is a provider of regulated medical waste management services and pharmaceutical returns services to medical offices, hospitals, other health care providers, and other entities. Stericycle does or has done business with government customers at the federal, state, and local government level ("Government Customers").

B. Relator is an individual resident of the State of Illinois. On April 28, 2008, Relator filed a *qui tam* action in the United States District Court for the Northern District of Illinois captioned *United States of America ex rel. Jennifer D. Perez v. Stericycle, Inc.*, Case No. 1:08-cv-2390 (hereinafter referred to as the "Action").

C. On June 28, 2010, Relator filed an Amended Complaint adding the States of California, Delaware, Florida, Illinois, Indiana, Nevada, New Hampshire, New Jersey, New York, North Carolina, Rhode Island, Tennessee, the Commonwealths of Massachusetts and Virginia, and the District of Columbia (except for New Hampshire and New York, "Government Entities") as plaintiffs and alleging claims for relief under the respective state false claims law on behalf of state and local governmental agencies, as applicable.

D. On July 23, 2013, Relator filed her Second Amended Complaint ("SAC") in which she alleged claims on behalf of the Government Entities. The SAC dropped any claims on behalf of the State of New Hampshire. The SAC alleges Stericycle improperly increased its

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service price to certain government customers, from January 1, 2003 until June 30, 2014, without consent of the Government Customers or contractual authorization, resulting in overpayment for products and services ("Covered Conduct").

E. Stericycle denies all allegations of wrongdoing in connection with the Covered Conduct, and this Agreement shall not be construed as an admission of any wrongdoing or liability by Stericycle.

F. Neither the United States, any State, or the District of Columbia has intervened in the Action.

G. Relator claims an entitlement to a share of the proceeds of this Agreement, the terms of which are incorporated in a separate agreement between Relator and the Government Entities, and to reasonable attorneys' fees, costs, and expenses under the federal False Claims Act and its state analogues.

H. The Attorneys General for the States of California, Florida, New Jersey and Rhode Island do not represent all governmental entities within their states under their respective false claims acts, including local governmental or political subdivision customers within their States, which were also allegedly affected by the Covered Conduct ("Affected Local Governmental Customers"). The Attorneys General of California, Florida, New Jersey and Rhode Island will provide effective notice of the Settlement to each Affected Local Governmental Customer pursuant to Paragraphs 8 and 9 of this Agreement.

NOW THEREFORE, to avoid the delay, uncertainty, inconvenience, and expense of protracted litigation of the above claims, and the unique remedies and penalties exclusively available under the federal False Claims Act and its state analogues, and in consideration of the mutual promises and obligations of this Agreement, Relator and Stericycle agree as follows:

1. Stericycle agrees to pay \$26,750,000.00 ("Settlement Sum") plus \$1,750,000.00 ("Attorneys' Fees Settlement Sum"), for a total payment amount of \$28,500,000.00 ("Total Payment Sum"). Stericycle will pay the Settlement Sum to a third party as described below. The allocation of the Settlement Sum between the Government Entities has been determined by and among the Government Entities without any involvement by or input whatsoever from Stericycle or Stericycle's counsel. In addition, Stericycle alone agrees to pay the Attorneys' Fees Settlement Sum in full and final satisfaction of any claims by Relator and Relator's Counsel for reasonable expenses, attorneys' fees, and costs. The Total Payment Sum resolves any and all claims that were alleged on behalf of the Government Entities by Relator in the Action and Relator's claim for attorneys' fees, costs, and expenses under 31 U.S.C. § 3730(d) and analogous provisions of state False Claims Acts.

2. No later than fourteen (14) days after the Effective Date of this Agreement, Stericycle shall pay, pursuant to written instructions from Relator's counsel, the Settlement Sum to the third party administrator, Garden City Group, LLP. No later than fourteen (14) days after receiving payment of the Settlement Sum from Stericycle, Garden City Group, LLP shall distribute the Settlement Sum to the Government Entities pursuant to written instructions provided by the Government Entities. No later than fourteen (14) days after the Effective Date of this Agreement, Stericycle shall pay the Attorneys' Fees Settlement Sum to and in the manner directed by Relator's counsel.

3. Stericycle shall comply with all applicable state and/or federal laws, rules, and regulations as now constituted or as may hereafter be amended.



4. Relator affirms that this Agreement is fair, adequate, and reasonable under all the circumstances in accordance with 31 U.S.C. § 3730(c)(2)(B) and similar state statutes, and promises not to challenge the terms of this Agreement.

5. A stipulation of dismissal with prejudice will be filed, along with the Government Entities consent to dismissal, if so required, fourteen (14) calendar days after payment is received by all Government Entities pursuant to paragraph 2.

6. Other than payment of the Attorneys' Fees Settlement Sum, each party to this Agreement shall bear its own attorneys' fees and costs.

7. Subject to the other provisions and limitations set out in this Agreement and effective as of the receipt of the Total Payment Sum, Relator, on behalf of herself, and for her heirs, successors, attorneys, agents, and assigns, hereby agrees to and shall release Stericycle, and each of Stericycle's respective past and present affiliates, parents, subsidiaries, divisions, branches, departments, predecessors, successors, assigns, and the heirs, principals, employees, associates, owners, stockholders, devisees, agents, distributors, directors, officers, representatives, insurers, attorneys, and predecessors and successors in interest from any and all claims that she may have against Stericycle in her own right or that she brought in the Action for the Covered Conduct, including but not limited to claims under the federal False Claims Act, 31 U.S.C. §§ 3729-3733 and/or its state analogues.

In connection with the foregoing, Relator acknowledges that she is familiar with and hereby waives and relinquishes any and all rights and benefits she may have under the laws of any state, similar to and including Section 1542 of the California Civil Code, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing

the release, which if known by him must have materially affected his settlement with the debtor.

8. Within ten (10) business days of the Effective Date, Stericycle will provide the Attorney General's Offices in California, Florida, and New Jersey with sufficient contact information of presently-known government customers in the respective State to allow them to provide effective notice to each Affected Local Governmental Customer ("Contact Information"). Within 45 business days of the date by which the Attorney General's Offices in California, Florida, and New Jersey receive the Contact Information, the Attorney General's Offices in California, Florida, and New Jersey will provide to each Affected Local Governmental Customer its check along with a letter or other notification that contains the following language in boldface text: **"By accepting and depositing the enclosed check within 60 days of its issuance, you are consenting to the provisions of the enclosed Settlement Agreement, including the provisions in paragraph 7 of the Agreement. If you do not deposit the enclosed check within 60 days of its issuance, you will forfeit your pro rata share of the settlement proceeds."** Rhode Island has received the Contact Information from Relator's counsel and will provide to each Affected Local Governmental Customer its check along with a letter or other notification that contains the language cited above. Contemporaneous copies of the notification will be provided to Stericycle. Any amounts that an Affected Local Governmental Customer does not timely deposit under this paragraph shall be retained by the State where that Affected Local Governmental Customer is located.

9. Each Affected Local Governmental Customer in California, Florida, New Jersey and Rhode Island will have 60 days of the issuance of the check and letter or other notification described in the above paragraph, to review the Notification, seek additional information, if

needed, from the Attorney General's Offices in those states, and decide whether to consent to the settlement consistent with the terms set forth in paragraph 8 herein. An Affected Local Governmental Customer's failure to deposit the check within 60 days of its issuance will not result in any increase in the pro rata share of the settlement funds to which any other Affected Local Governmental Customer is entitled under the terms of this Agreement.

10. Subject to the other provisions and limitations set out in this Agreement and effective as of the receipt of the Total Payment Sum, Stericycle, for itself as well as for each of Stericycle's respective past and present affiliates, parents, subsidiaries, divisions, branches, departments, predecessors, successors, assigns, and the heirs, principals, employees, associates, owners, stockholders, devisees, agents, distributors, directors, officers, representatives, insurers, attorneys, and predecessors and successor in interest, does and hereby agrees to and does release Relator, her heirs, successors, attorneys, agents, and assigns from any claim (including attorneys' fees, costs, and expenses of every kind and however denominated) that Stericycle has asserted, or could have asserted, or may assert in the future against Relator and her heirs, successors, attorneys, agents, and assigns, including without limitation, claims related to the Covered Conduct and the investigation and prosecution thereof.

In connection with the foregoing, Stericycle acknowledges that it is familiar with and hereby waives and relinquishes any and all rights and benefits it may have under the laws of any state, similar to and including Section 1542 of the California Civil Code, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

11. Relator and her counsel agree that all documents, data, or other information

provided or produced to Relator by Stericycle in connection with or related to the Action, will be

(1) returned to counsel for Stericycle; or

(2) destroyed and Relator will certify in writing that all such information was destroyed;

within thirty (30) days of the dismissal of the Action.

12. Documents provided or produced by Stericycle to the States of North Carolina and Tennessee and the Commonwealths of Massachusetts and Virginia, will be treated as and kept confidential to the extent provided by law.

13. Each party and signatory to this Agreement represents that it freely and voluntarily enters into this Agreement without any degree of duress or compulsion.

14. This Agreement is governed by the laws of the State of Illinois. The exclusive jurisdiction and venue for any dispute relating to this Agreement is the United States District Court for the Northern District of Illinois.

15. This Agreement constitutes the complete agreement between the Parties. This Agreement may not be amended except by written consent of each of the Parties.

16. The undersigned counsel represent and warrant that they are fully authorized to execute this Agreement on behalf of the person and entities indicated below.

17. For purposes of construing this Agreement, this Agreement shall be deemed to have been drafted by all Parties to this Agreement and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

18. This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Agreement. Facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

19. This Agreement is binding on Stericycle's successors, transferees, heirs, and assigns.

20. This Agreement is binding on Relator's successors, transferees, heirs, and assigns.

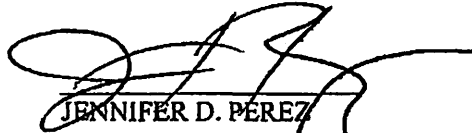
21. The Parties agree that either Party may disclose this Agreement publicly, but all other information related to this Action or this Agreement that has not been publicly filed or is not a matter of public record is confidential and may not be disclosed by either of the Parties for any reason, except as otherwise required by law or court order.

22. This Agreement is effective on the date the last party signs this Agreement ("Effective Date").

IN WITNESS WHEREOF, the Parties have executed this Agreement.


**JENNIFER D. PEREZ**

DATED: Oct. 6, 2015



JENNIFER D. PEREZ

DATED: October 5, 2015



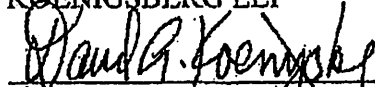
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DATED: Oct. 6, 2015

MENZ BONNER KOMAR &  
KOENIGSBERG LLP

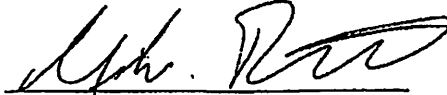
By:



David A. Koenigsberg  
(Admitted pro hac vice)

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DATED: 10/6, 2015

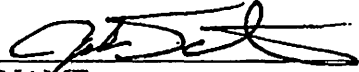


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STERICYCLE, INC.

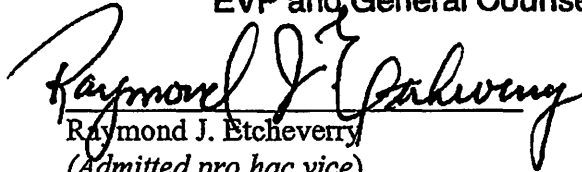
DATED: October 8, 2015

BY:   
NAME:

**John Schetz**

TITLE: **EVP and General Counsel**

DATED: October 8, 2015

  
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(Admitted pro hac vice)

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*Counsel for Defendant Stericycle, Inc.*

## **RELATOR SHARE AGREEMENT**

This Relator Share Agreement is made and entered into by and between Jennifer Perez (“Relator”) and the United States of America, the States of California, Delaware, Florida, Illinois, Indiana, Nevada, New Jersey, North Carolina, Rhode Island, Tennessee, the Commonwealths of Massachusetts and Virginia, and the District of Columbia (the “Government Entities”) (collectively, the “Parties”).

1. The Government Entities have agreed to allocate the Settlement Sum of \$26,750,000 as defined in paragraph 1 of the Stericycle Settlement Agreement (a copy of which is attached hereto as Exhibit A<sup>1</sup>) among themselves as follows:

(a) The following amount to the United States: \$3,383,810.85 (“United States’ Settlement Amount”).

(b) The following amounts to the States and the District of Columbia (“States’ Settlement Amounts”):

(i) \$6,185,567.44 to California (including to Affected Local Governmental Customers within the State of California),

(ii) \$111,109.68 to Delaware,

(iii) \$38,298.68 to the District of Columbia,

(iv) \$2,377,993.14 to Florida. Affected Local Governmental Customers within the State of Florida will receive an additional \$810,353.15 pursuant to the Florida Deceptive and Unfair Trade Practices Act,

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<sup>1</sup> Capitalized terms used in this Agreement shall have the same defined meanings as defined in the Stericycle Settlement Agreement attached as Exhibit A.

(v) \$4,026,984.56 to Illinois (including to Affected Local Governmental Customers within the State of Illinois pursuant to the Illinois False Claims Act, 740 ILCS 175/4(d)(2)),

(vi) \$1,813,256.15 to Indiana,

(vii) \$677,080.82 to Massachusetts,

(viii) \$13,428.88 to Nevada,

(ix) \$589,111.30 to New Jersey (including to Affected Local Governmental Customers within the State of New Jersey pursuant to the New Jersey Consumer Fraud Act, N.J.S.A. 56:8.1 et seq.),

(x) \$2,738,482.44 to North Carolina,

(xi) \$198,664.82 to Rhode Island (including to Affected Local Governmental Customers within the State of Rhode Island pursuant to the Rhode Island False Claims Act),

(xii) \$1,770,407.95 to Tennessee,

(xiii) \$2,015,450.14 to Virginia.

The allocation of the Settlement Sum has been determined by and among the Government Entities, without any involvement by or input from Stericycle or Stericycle's counsel. Stericycle shall, pursuant to paragraph 2 of the Stericycle Settlement Agreement, pay the Settlement Sum to the Garden City Group LLP ("GCG") as settlement administrator, and the Attorneys' Fees Settlement Sum to Relator's counsel, pursuant to written instructions provided by Relator's counsel no later than fourteen (14) days after the effective date of the Stericycle Settlement Agreement. After the effective date of the Stericycle Settlement Agreement, but before the expiration of the payment deadline by Stericycle, (1) Relator's counsel shall provide wire transfer instructions to Stericycle for payment of the Settlement Sum to GCG; and (2) the

Government Entities shall provide their respective wire transfer or other payment instructions to GCG and Relator's counsel to make payments to the Government Entities in the respective amounts as allocated in paragraph 1 above. GCG shall make payments to all the Government Entities in the respective amounts as allocated in paragraph 1 above no later than fourteen (14) days after GCG receives payment of the Settlement Sum from Stericycle, pursuant to paragraph 2 of the Stericycle Settlement Agreement.

2. Of the New Jersey Settlement Amount, the Attorney General of the State of New Jersey, through its Division of Consumer Affairs and pursuant to paragraphs 8 and 9 of the Stericycle Settlement Agreement, will provide notification and collect and distribute \$234,035.41 to Affected Local Governmental Customers in New Jersey pursuant to the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. The New Jersey Division of Consumer Affairs shall retain any funds not claimed by any Affected Local Governmental Customers in New Jersey, and all interest in those funds, and any subsequent interest or income derived therefrom, shall inure entirely to the benefit of the New Jersey Division of Consumer Affairs. Of the Florida Settlement Amount, the Attorney General of the State of Florida will notify and collect and distribute \$810,353.15 to Affected Local Governmental Customers in Florida pursuant to the Florida Deceptive and Unfair Trade Practices Act. The Florida Department of Legal Affairs shall retain any funds not claimed by any Affected Local Governmental Customers in Florida, and all interest in those funds, and any subsequent interest or income derived therefrom, shall inure entirely to the benefit of the Florida Department of Legal Affairs as a contribution for future enforcement efforts. Of the Rhode Island Settlement Amount, the Rhode Island Department of the Attorney General will notify and collect and distribute \$111,659.55 to Affected Local Governmental Customers in Rhode Island pursuant to the Rhode Island False

Claims Act. The Rhode Island Attorney General shall retain any funds not claimed by any Affected Local Governmental Customers in Rhode Island, and all interest in those funds, and any subsequent interest or income derived therefrom, shall inure entirely to the benefit of the State of Rhode Island. Of the Illinois Settlement Amount, the Attorney General of the State of Illinois will direct the Illinois State Treasurer to disburse funds to Affected Local Governmental Customers in Illinois, pursuant to 740 ILCS 175/4(d)(2). The State of Illinois shall retain any remaining funds from the Illinois Settlement Amount, and all interest in those funds, and any subsequent interest or income derived therefrom, shall inure entirely to the benefit of the State of Illinois, pursuant to 740 ILCS 175/8.

3. The Parties agree that Relator shall receive the amounts stated below in subparagraphs (a)-(n) and paragraph 6 (“Relator’s Share Payments”) from the Government Entities in full and complete satisfaction of any and all claims arising from the filing of the action *United States of America et al. ex. rel. Perez v. Stericycle, Inc.*, No. 1:08-cv-02390 (N.D. Ill.) (the “Civil Action”) that were alleged on behalf of the Government Entities by Relator in the Civil Action and Relator’s claim against the Government entities for attorneys’ fees, costs, and expenses under 31 U.S.C. § 3730(d) and analogous provisions of state False Claims Acts:

- a. From the United States: \$845,952.71
- b. From the District of Columbia: \$9,574.67
- c. From the State of California: \$202,099.84
- d. From the State of Delaware: \$27,777.42
- e. From the State of Florida: \$356,698.97
- f. From the State of Illinois: \$1,006,746.14

- g. From the State of Indiana: \$453,314.04
- h. From the Commonwealth of Massachusetts: \$169,270.20
- i. From the State of Nevada: \$3,357.22
- j. From the State of New Jersey: \$88,768.97
- k. From the State of North Carolina: \$684,620.61
- l. From the State of Rhode Island: \$49,666.21
- m. From the State of Tennessee: \$478,010.15
- n. From the Commonwealth of Virginia: \$503,862.53

4. The Government Entities will make their respective Relator's Share Payments within thirty-five (35) days after (i) each of the Government Entities' receipt of its share of the \$26,750,000.00 from Stericycle, through GCG (ii) Relator provides each Government Entity with all information necessary for payment processing, and (iii) the execution of this Agreement. The obligation to make the Relator's Share Payments to the Relator is expressly conditioned on the receipt by each Government Entity of the specified payment by Stericycle, through GCG. Should Stericycle and/or GCG fail to make any payment required by the Stericycle Settlement Agreement, the Government Entities shall have no obligation to make any corresponding Relator's Share Payment to the Relator.

5. Upon receipt of the Relator's Share Payments described in paragraph 3 herein, Relator shall, for herself individually, and for her heirs, successors, attorneys, agents and assigns, (1) fully and finally release, waive and forever discharge the Government Entities from any and all claims for a share of the Settlement Sum as defined in paragraph 1 of the Stericycle Settlement Agreement; and (2) hold harmless the Government Entities and all of their agencies, divisions, entities, subdivisions, attorneys, representatives, officers, agents, employees, and

servants, from any and all claims arising from the filing of the Civil Action, any and all claims arising from the Governmental Entities' investigations, any and all claims under 31 U.S.C § 3730 and similar state statutes, and from any claims to a share of the proceeds of this Agreement and/or the Civil Action. This agreement shall not be construed as releasing any claims of the Affected Local Governmental Customers in New Jersey, Florida, California, Illinois, or Rhode Island.

6. The California Attorney General's Office ("CAGO") shall recommend to each California Affected Local Governmental Customer ("Customer") (as that term is used in the Stericycle Settlement Agreement) that it agree to a relator's share of 15% of each such Customer's recovery ("California Local Relator's Share"). The CAGO shall withhold 15% of the recovery for each Customer pending that Customer's decision on whether to consent to the California Local Relator's Share. For Customers that consent to the California Local Relator's Share, the CAGO shall pay the aggregate amount of the California Local Relator's Share to Relator no later than April 20, 2016. For Customers that dispute the California Local Relator's Share, the CAGO shall continue to hold the amounts attributable to those Customers' California Local Relator's Share until the dispute is resolved. In the event that any sums are forfeited to the State of California under paragraph 9 of the Stericycle Settlement Agreement, the CAGO shall pay the Relator a total of 25% of all such forfeited sums, which is inclusive of the 15% that would have been paid had the Customer deposited such check. The CAGO may use GCG, KCC/Gilardi & Co., or another third party administrator to perform the CAGO's duties under this paragraph. The CAGO shall be responsible for paying the cost of this service out of the CAGO's Litigation Deposit Fund, in an amount not to exceed \$10,000.



7. Relator acknowledges that the settlement of the Civil Action is fair, adequate, and reasonable under all the circumstances in accordance with 31 U.S.C. § 3730(c)(2)(B) and similar state statutes and expressly waives the opportunity for a hearing pursuant to 31 U.S.C § 3730 (c)(2)(B) and similar state statutes. Conditioned upon Relator's receipt of the payment described in paragraph 3, Relator and her heirs, successors, attorneys, agents, and assigns fully and finally release, waive, and forever discharge the Government Entities, and their respective agencies, officers, agents, employees, and servants, from any claims arising from the filing of the Civil Action or under 31 U.S.C. § 3730 and similar state statutes, and from any claims to a share of the proceeds of this Agreement.

8. Each of the Government Entities acknowledges that by signing this Agreement that such Government Entity consents to accept the amount of monies that each Government Entity will receive pursuant to the Stericycle Settlement Agreement and to the Relator's dismissal of the Civil Action as provided in paragraph 5 of the Stericycle Settlement Agreement. Each of the Government Entities shall submit to Relator's counsel, or to the Court, as soon as practicable after receiving payment, a consent to dismissal with prejudice of that respective Government Entity's claims, if so required, or file its own dismissal of that Government Entity's claims. Any consents to dismissal or dismissal notices must be submitted to Relator's counsel, or to the Court, with sufficient time for Relator's counsel to file the stipulation of dismissal required by paragraph 5 of the Stericycle Settlement Agreement.

9. Each of the signatories to this Agreement represents that he or she has the full power and authority to enter into this Agreement.

10. This Agreement constitutes the complete and entire understanding and agreement between the Parties and supersedes any previous communications, representations or agreements,

oral or written, related to the subject matter of this Agreement. No modification of any of the provisions in this Agreement shall be binding unless made in writing and signed by the Parties.

11. Nothing in this Agreement shall be construed to waive any claims of Sovereign Immunity any Government Entity may have in any action or proceeding.

12. Relator agrees that this Agreement does not entitle Relator to seek or to obtain attorneys' fees from any of the Government Entities as a prevailing party under any statute, regulation or rule, and Relator further waives any rights to attorneys' fees as to any of the Government Entities that may arise under such statute, regulation or rule.


13. This Agreement is governed by the laws of the United States. The exclusive venue for any dispute relating to this Agreement is the United States District Court for the Northern District of Illinois. Relator consents to the exclusive jurisdiction of this court in any such action or proceeding and waives any objection to venue there.

14. This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute on and the same Agreement. Facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

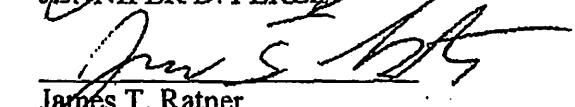
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**JENNIFER D. PEREZ**

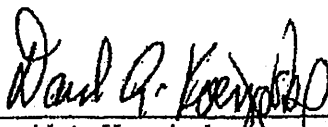
DATED: Oct 6, 2015

  
JENNIFER D. PEREZ

DATED: October 6, 2015

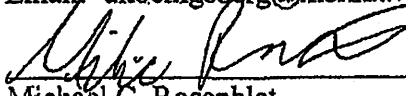
  
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DATED: Oct. 6, 2015

  
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*Jennifer Perez*

**UNITED STATES OF AMERICA**

Dated: Oct 7, 2015

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**DISTRICT OF COLUMBIA**

Dated: October 6, 2015

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SARAH ELIZABETH GERE  
Acting Deputy, Public Interest Division

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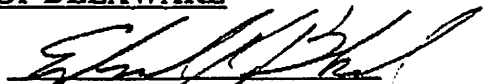
DATED: October 6, 2015

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**STATE OF DELAWARE**

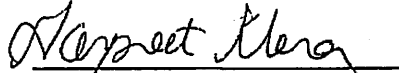
DATED: October 9, 2015



Edward K. Black  
Deputy Attorney General  
Delaware Department of Justice  
C600  
820 North French Street  
Wilmington, Delaware 19801

DATED: October 7, 2015

STATE OF ILLINOIS



Harpreet K. Khera  
Assistant Attorney General  
Special Litigation Bureau  
Office of the Illinois Attorney General  
100 W. Randolph St., 11th Floor  
Chicago, IL 60601



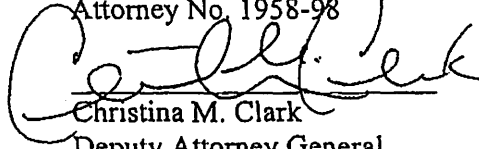
STATE OF INDIANA

GREGORY F. ZOELLER

Indiana Attorney General

Attorney No. 1958-98

DATED: Oct. 7, 2015

A handwritten signature in black ink, appearing to read 'Christina M. Clark', is written over the printed name.

Christina M. Clark

Deputy Attorney General

Office of the Indiana Attorney General

Civil Litigation

IGCS 5th Floor

302 W. Washington Street


Indianapolis, IN 46204

*Attorney for the State of Indiana*

COMMONWEALTH OF MASSACHUSETTS

DATED: Oct. 8, 2015

ATTORNEY GENERAL MAURA HEALEY



Eric Gold  
Assistant Attorney General  
Health Care Division  
Office of the Attorney General  
One Ashburton Place  
Boston, MA 02108-1598

**STATE OF NEVADA**

DATED: 7 October, 2015

ADAM PAUL LAXALT  
Attorney General

By: 

C. WAYNE HOWLE  
Chief Deputy Attorney General  
Nevada State Bar # 3443  
100 North Carson Street  
Carson City, NV 89701  
775-684-1227  
775-684-1108 Fax  
[whowle@ag.nv.gov](mailto:whowle@ag.nv.gov)

**STATE OF NEW JERSEY**

DATED: Oct. 7, 2015

JOHN J. HOFFMAN  
ACTING ATTORNEY GENERAL OF NEW JERSEY

By: 

Nicholas Kant  
Janine Matton  
Deputy Attorneys General  
Government and Healthcare Fraud Section  
New Jersey Division of Law  
Department of Law & Public Safety  
124 Halsey Street - 5th Floor  
P.O. Box 45029  
Newark, New Jersey 07101

**STATE OF NORTH CAROLINA**

DATED: October 8, 2015

ROY COOPER  
ATTORNEY GENERAL

By:

B. Carington Skinner IV

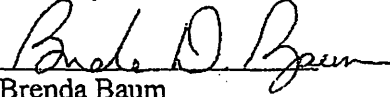
B. Carington Skinner IV  
Assistant Attorney General  
Financial Fraud Unit  
Consumer Protection Division  
N.C. Department of Justice  
114 W. Edenton Street  
Raleigh, N.C. 27603

**STATE OF RHODE ISLAND**

Dated: October 16, 2015

PETER F. KILMARTIN  
Attorney General of Rhode Island

By:



Brenda Baum

Assistant Attorney General  
150 South Main Street  
Providence, Rhode Island 02930  
(401) 274-4400, ext. 2294  
bbaum@riag.ri.gov

*Attorney for the State of Rhode Island*

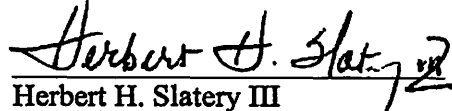
**STATE OF TENNESSEE**

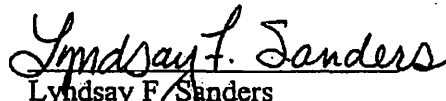
Relator Share Agreement in UNITED STATES OF AMERICA *ex rel.* JENNIFER D. PEREZ v.  
STERICYCLE, INC., No. 08-CV-2390 (N.D. Ill.), Signature Page

FOR THE STATE OF TENNESSE, ATTORNEY GENERAL:

DATED: Oct. 9, 2015

BY:

  
Herbert H. Slatery III  
Tennessee Attorney General

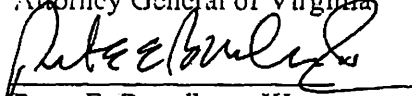
  
Lyndsay F. Sanders  
Senior Counsel  
Anna M. Waller  
Assistant Attorney General  
Office of the Attorney General and Reporter  
P.O. Box 20207  
Nashville, TN 37202-0207

COMMONWEALTH OF VIRGINIA

Dated: October 20, 2015

MARK HERRING  
Attorney General of Virginia

By:



Peter E. Broadbent, III  
Assistant Attorney General  
Division of Debt Collection  
Office of the Attorney General  
Post Office Box 610  
Richmond, VA 23218-0610  
(804) 786-6055  
pbroadbent@oag.state.va.us

*Attorney for the Commonwealth of Virginia*



## **RELATOR SHARE AGREEMENT**

This Relator Share Agreement is made and entered into by and between Jennifer Perez (“Relator”) and the United States of America, the States of California, Delaware, Florida, Illinois, Indiana, Nevada, New Jersey, North Carolina, Rhode Island, Tennessee, the Commonwealths of Massachusetts and Virginia, and the District of Columbia (the “Government Entities”) (collectively, the “Parties”).

1. The Government Entities have agreed to allocate the Settlement Sum of \$26,750,000 as defined in paragraph 1 of the Stericycle Settlement Agreement (a copy of which is attached hereto as Exhibit A<sup>1</sup>) among themselves as follows:

(a) The following amount to the United States: \$3,383,810.85 (“United States’ Settlement Amount”).

(b) The following amounts to the States and the District of Columbia (“States’ Settlement Amounts”):

(i) \$6,185,567.44 to California (including to Affected Local Governmental Customers within the State of California),

(ii) \$111,109.68 to Delaware,

(iii) \$38,298.68 to the District of Columbia,

(iv) \$2,377,993.14 to Florida. Affected Local Governmental Customers within the State of Florida will receive an additional \$810,353.15 pursuant to the Florida Deceptive and Unfair Trade Practices Act,

---

<sup>1</sup> Capitalized terms used in this Agreement shall have the same defined meanings as defined in the Stericycle Settlement Agreement attached as Exhibit A.

(v) \$4,026,984.56 to Illinois (including to Affected Local Governmental Customers within the State of Illinois pursuant to the Illinois False Claims Act, 740 ILCS 175/4(d)(2)),

(vi) \$1,813,256.15 to Indiana,

(vii) \$677,080.82 to Massachusetts,

(viii) \$13,428.88 to Nevada,

(ix) \$589,111.30 to New Jersey (including to Affected Local Governmental Customers within the State of New Jersey pursuant to the New Jersey Consumer Fraud Act, N.J.S.A. 56:8.1 et seq.),

(x) \$2,738,482.44 to North Carolina,

(xi) \$198,664.82 to Rhode Island (including to Affected Local Governmental Customers within the State of Rhode Island pursuant to the Rhode Island False Claims Act),

(xii) \$1,770,407.95 to Tennessee,

(xiii) \$2,015,450.14 to Virginia.

The allocation of the Settlement Sum has been determined by and among the Government Entities, without any involvement by or input from Stericycle or Stericycle's counsel. Stericycle shall, pursuant to paragraph 2 of the Stericycle Settlement Agreement, pay the Settlement Sum to the Garden City Group LLP ("GCG") as settlement administrator, and the Attorneys' Fees Settlement Sum to Relator's counsel, pursuant to written instructions provided by Relator's counsel no later than fourteen (14) days after the effective date of the Stericycle Settlement Agreement. After the effective date of the Stericycle Settlement Agreement, but before the expiration of the payment deadline by Stericycle, (1) Relator's counsel shall provide wire transfer instructions to Stericycle for payment of the Settlement Sum to GCG; and (2) the

Government Entities shall provide their respective wire transfer or other payment instructions to GCG and Relator's counsel to make payments to the Government Entities in the respective amounts as allocated in paragraph 1 above. GCG shall make payments to all the Government Entities in the respective amounts as allocated in paragraph 1 above no later than fourteen (14) days after GCG receives payment of the Settlement Sum from Stericycle, pursuant to paragraph 2 of the Stericycle Settlement Agreement.

2. Of the New Jersey Settlement Amount, the Attorney General of the State of New Jersey, through its Division of Consumer Affairs and pursuant to paragraphs 8 and 9 of the Stericycle Settlement Agreement, will provide notification and collect and distribute \$234,035.41 to Affected Local Governmental Customers in New Jersey pursuant to the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. The New Jersey Division of Consumer Affairs shall retain any funds not claimed by any Affected Local Governmental Customers in New Jersey, and all interest in those funds, and any subsequent interest or income derived therefrom, shall inure entirely to the benefit of the New Jersey Division of Consumer Affairs. Of the Florida Settlement Amount, the Attorney General of the State of Florida will notify and collect and distribute \$810,353.15 to Affected Local Governmental Customers in Florida pursuant to the Florida Deceptive and Unfair Trade Practices Act. The Florida Department of Legal Affairs shall retain any funds not claimed by any Affected Local Governmental Customers in Florida, and all interest in those funds, and any subsequent interest or income derived therefrom, shall inure entirely to the benefit of the Florida Department of Legal Affairs as a contribution for future enforcement efforts. Of the Rhode Island Settlement Amount, the Rhode Island Department of the Attorney General will notify and collect and distribute \$111,659.55 to Affected Local Governmental Customers in Rhode Island pursuant to the Rhode Island False

Claims Act. The Rhode Island Attorney General shall retain any funds not claimed by any Affected Local Governmental Customers in Rhode Island, and all interest in those funds, and any subsequent interest or income derived therefrom, shall inure entirely to the benefit of the State of Rhode Island. Of the Illinois Settlement Amount, the Attorney General of the State of Illinois will direct the Illinois State Treasurer to disburse funds to Affected Local Governmental Customers in Illinois, pursuant to 740 ILCS 175/4(d)(2). The State of Illinois shall retain any remaining funds from the Illinois Settlement Amount, and all interest in those funds, and any subsequent interest or income derived therefrom, shall inure entirely to the benefit of the State of Illinois, pursuant to 740 ILCS 175/8.

3. The Parties agree that Relator shall receive the amounts stated below in subparagraphs (a)-(n) and paragraph 6 (“Relator’s Share Payments”) from the Government Entities in full and complete satisfaction of any and all claims arising from the filing of the action *United States of America et al. ex. rel. Perez v. Stericycle, Inc.*, No. 1:08-cv-02390 (N.D. Ill.) (the “Civil Action”) that were alleged on behalf of the Government Entities by Relator in the Civil Action and Relator’s claim against the Government entities for attorneys’ fees, costs, and expenses under 31 U.S.C. § 3730(d) and analogous provisions of state False Claims Acts:

- a. From the United States: \$845,952.71
- b. From the District of Columbia: \$9,574.67
- c. From the State of California: \$202,099.84
- d. From the State of Delaware: \$27,777.42
- e. From the State of Florida: \$356,698.97
- f. From the State of Illinois: \$1,006,746.14

- g. From the State of Indiana: \$453,314.04
- h. From the Commonwealth of Massachusetts: \$169,270.20
- i. From the State of Nevada: \$3,357.22
- j. From the State of New Jersey: \$88,768.97
- k. From the State of North Carolina: \$684,620.61
- l. From the State of Rhode Island: \$49,666.21
- m. From the State of Tennessee: \$478,010.15
- n. From the Commonwealth of Virginia: \$503,862.53

4. The Government Entities will make their respective Relator's Share Payments within thirty-five (35) days after (i) each of the Government Entities' receipt of its share of the \$26,750,000.00 from Stericycle, through GCG (ii) Relator provides each Government Entity with all information necessary for payment processing, and (iii) the execution of this Agreement. The obligation to make the Relator's Share Payments to the Relator is expressly conditioned on the receipt by each Government Entity of the specified payment by Stericycle, through GCG. Should Stericycle and/or GCG fail to make any payment required by the Stericycle Settlement Agreement, the Government Entities shall have no obligation to make any corresponding Relator's Share Payment to the Relator.

5. Upon receipt of the Relator's Share Payments described in paragraph 3 herein, Relator shall, for herself individually, and for her heirs, successors, attorneys, agents and assigns, (1) fully and finally release, waive and forever discharge the Government Entities from any and all claims for a share of the Settlement Sum as defined in paragraph 1 of the Stericycle Settlement Agreement; and (2) hold harmless the Government Entities and all of their agencies, divisions, entities, subdivisions, attorneys, representatives, officers, agents, employees, and

servants, from any and all claims arising from the filing of the Civil Action, any and all claims arising from the Governmental Entities' investigations, any and all claims under 31 U.S.C § 3730 and similar state statutes, and from any claims to a share of the proceeds of this Agreement and/or the Civil Action. This agreement shall not be construed as releasing any claims of the Affected Local Governmental Customers in New Jersey, Florida, California, Illinois, or Rhode Island.

6. The California Attorney General's Office ("CAGO") shall recommend to each California Affected Local Governmental Customer ("Customer") (as that term is used in the Stericycle Settlement Agreement) that it agree to a relator's share of 15% of each such Customer's recovery ("California Local Relator's Share"). The CAGO shall withhold 15% of the recovery for each Customer pending that Customer's decision on whether to consent to the California Local Relator's Share. For Customers that consent to the California Local Relator's Share, the CAGO shall pay the aggregate amount of the California Local Relator's Share to Relator no later than April 20, 2016. For Customers that dispute the California Local Relator's Share, the CAGO shall continue to hold the amounts attributable to those Customers' California Local Relator's Share until the dispute is resolved. In the event that any sums are forfeited to the State of California under paragraph 9 of the Stericycle Settlement Agreement, the CAGO shall pay the Relator a total of 25% of all such forfeited sums, which is inclusive of the 15% that would have been paid had the Customer deposited such check. The CAGO may use GCG, KCC/Gilardi & Co., or another third party administrator to perform the CAGO's duties under this paragraph. The CAGO shall be responsible for paying the cost of this service out of the CAGO's Litigation Deposit Fund, in an amount not to exceed \$10,000.

7. Relator acknowledges that the settlement of the Civil Action is fair, adequate, and reasonable under all the circumstances in accordance with 31 U.S.C. § 3730(c)(2)(B) and similar state statutes and expressly waives the opportunity for a hearing pursuant to 31 U.S.C § 3730 (c)(2)(B) and similar state statutes. Conditioned upon Relator's receipt of the payment described in paragraph 3, Relator and her heirs, successors, attorneys, agents, and assigns fully and finally release, waive, and forever discharge the Government Entities, and their respective agencies, officers, agents, employees, and servants, from any claims arising from the filing of the Civil Action or under 31 U.S.C. § 3730 and similar state statutes, and from any claims to a share of the proceeds of this Agreement.

8. Each of the Government Entities acknowledges that by signing this Agreement that such Government Entity consents to accept the amount of monies that each Government Entity will receive pursuant to the Stericycle Settlement Agreement and to the Relator's dismissal of the Civil Action as provided in paragraph 5 of the Stericycle Settlement Agreement. Each of the Government Entities shall submit to Relator's counsel, or to the Court, as soon as practicable after receiving payment, a consent to dismissal with prejudice of that respective Government Entity's claims, if so required, or file its own dismissal of that Government Entity's claims. Any consents to dismissal or dismissal notices must be submitted to Relator's counsel, or to the Court, with sufficient time for Relator's counsel to file the stipulation of dismissal required by paragraph 5 of the Stericycle Settlement Agreement.

9. Each of the signatories to this Agreement represents that he or she has the full power and authority to enter into this Agreement.

10. This Agreement constitutes the complete and entire understanding and agreement between the Parties and supersedes any previous communications, representations or agreements,

oral or written, related to the subject matter of this Agreement. No modification of any of the provisions in this Agreement shall be binding unless made in writing and signed by the Parties.

11. Nothing in this Agreement shall be construed to waive any claims of Sovereign Immunity any Government Entity may have in any action or proceeding.

12. Relator agrees that this Agreement does not entitle Relator to seek or to obtain attorneys' fees from any of the Government Entities as a prevailing party under any statute, regulation or rule, and Relator further waives any rights to attorneys' fees as to any of the Government Entities that may arise under such statute, regulation or rule.

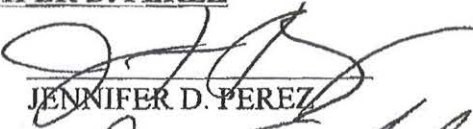
13. This Agreement is governed by the laws of the United States. The exclusive venue for any dispute relating to this Agreement is the United States District Court for the Northern District of Illinois. Relator consents to the exclusive jurisdiction of this court in any such action or proceeding and waives any objection to venue there.

14. This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute on and the same Agreement. Facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

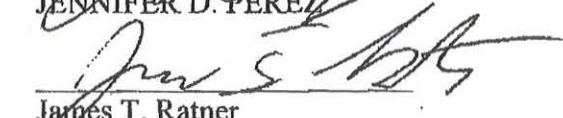
IN WITNESS WHEREOF, the Parties have executed this Agreement.

**JENNIFER D. PEREZ**

DATED: Oct 6, 2015

  
JENNIFER D. PEREZ

DATED: October 6, 2015

  
James T. Ratner  
P.O. Box 1035  
Woodstock, NY 12498  
Tel.: (845) 688-5222  
Email: jamesratner@yahoo.com



DATED: Oct. 6, 2015

  
David A. Koenigsberg  
John R. Menz  
MENZ BONNER KOMAR &  
KOENIGSBERG LLP  
444 Madison Avenue, 39th Floor  
New York, New York 10022  
Tel.: (212) 223-2100  
Email: [dkoenigsberg@mbkklaw.com](mailto:dkoenigsberg@mbkklaw.com)

DATED: 10/6, 2015

  
Michael C. Rosenblat  
Michael C. Rosenblat, P.C.  
707 Skokie Boulevard, Suite 600  
Northbrook, Illinois 60062-2841  
Tel.: (847) 480-2390  
Email: [mike@rosenblatlaw.com](mailto:mike@rosenblatlaw.com)

*Attorneys for Plaintiff-Relator  
Jennifer Perez*

UNITED STATES OF AMERICA

Dated: Oct 7, 2015

ZACHARY T. FARDON  
United States Attorney for the  
Northern District of Illinois

By: 

KATHRYN A. KELLY  
Assistant United States Attorney  
219 South Dearborn Street  
Chicago, Illinois 60604  
(312) 353-1936  
[kathryn.kelly@usdoj.gov](mailto:kathryn.kelly@usdoj.gov)

*Attorney for the United States of America*

**DISTRICT OF COLUMBIA**

Dated: October 6, 2015

KARL A. RACINE  
Attorney General, District of Columbia

SARAH ELIZABETH GERE  
Acting Deputy, Public Interest Division

By: B. H. Rushkoff  
Bennett Rushkoff  
Chief, Public Advocacy Section

By: Jane Drummey  
Jane Drummey  
Assistant Attorney General  
441 4th Street, NW  
Washington, D.C. 20001  
(202) 727-3400  
[jane.drummey@dc.gov](mailto:jane.drummey@dc.gov)

*Attorney for the District of Columbia*

STATE OF CALIFORNIA

KAMALA D. HARRIS  
California Attorney General

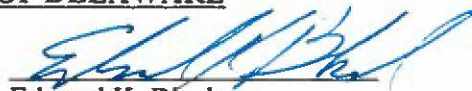
DATED: October 6, 2015

BY: 

Rachel A. Coles  
Deputy Attorney General  
California Department of Justice  
1300 I Street  
Sacramento, CA 95814  
(916) 322-1272  
Rachel.coles@doj.ca.gov

**STATE OF DELAWARE**

DATED: October 9, 2015



Edward K. Black  
Deputy Attorney General  
Delaware Department of Justice  
C600  
820 North French Street  
Wilmington, Delaware 19801

THE STATE OF FLORIDA

Dated: Oct. 6, 2015

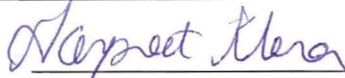
PAMELA JO BONDI  
Florida Attorney General

BY: Russell S. Kent

Russell S. Kent  
russell.kent@myfloridalegal.com  
Special Counsel for Litigation  
Office of the Attorney General  
The Capitol, PL-01  
Tallahassee, FL 32399-1050  
(850) 414-3854

DATED: October 7, 2015

**STATE OF ILLINOIS**



Harpreet K. Khera  
Assistant Attorney General  
Special Litigation Bureau  
Office of the Illinois Attorney General  
100 W. Randolph St., 11th Floor  
Chicago, IL 60601

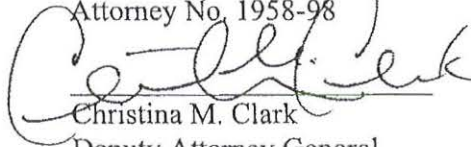
STATE OF INDIANA

DATED: Oct. 7, 2015

GREGORY F. ZOELLER

Indiana Attorney General

Attorney No. 1958-98

A handwritten signature in cursive script, appearing to read 'Christina M. Clark', written over a horizontal line.

Christina M. Clark

Deputy Attorney General

Office of the Indiana Attorney General

Civil Litigation

IGCS 5th Floor

302 W. Washington Street

Indianapolis, IN 46204

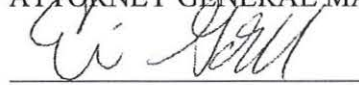
*Attorney for the State of Indiana*



COMMONWEALTH OF MASSACHUSETTS

DATED: Oct. 8, 2015

ATTORNEY GENERAL MAURA HEALEY

A handwritten signature in dark ink, appearing to read "Eric Gold", written over a horizontal line.

Eric Gold  
Assistant Attorney General  
Health Care Division  
Office of the Attorney General  
One Ashburton Place  
Boston, MA 02108-1598

**STATE OF NEVADA**

DATED: 7 October, 2015

ADAM PAUL LAXALT  
Attorney General

By: 

C. WAYNE HOWLE  
Chief Deputy Attorney General  
Nevada State Bar # 3443  
100 North Carson Street  
Carson City, NV 89701  
775-684-1227  
775-684-1108 Fax  
[whowle@ag.nv.gov](mailto:whowle@ag.nv.gov)

STATE OF NEW JERSEY

DATED: Oct. 7, 2015

JOHN J. HOFFMAN  
ACTING ATTORNEY GENERAL OF NEW JERSEY

By: 

Nicholas Kant  
Janine Matton  
Deputy Attorneys General  
Government and Healthcare Fraud Section  
New Jersey Division of Law  
Department of Law & Public Safety  
124 Halsey Street - 5th Floor  
P.O. Box 45029  
Newark, New Jersey 07101

STATE OF NORTH CAROLINA

DATED: October 8, 2015

ROY COOPER  
ATTORNEY GENERAL

By:

B. Carington Skinner IV  
B. Carington Skinner IV  
Assistant Attorney General  
Financial Fraud Unit  
Consumer Protection Division  
N.C. Department of Justice  
114 W. Edenton Street  
Raleigh, N.C. 27603

STATE OF RHODE ISLAND

Dated: October 6, 2015

PETER F. KILMARTIN  
Attorney General of Rhode Island

By: Brenda D. Baum  
Brenda Baum  
Assistant Attorney General  
150 South Main Street  
Providence, Rhode Island 02930  
(401) 274-4400, ext. 2294  
bbaum@riag.ri.gov

*Attorney for the State of Rhode Island*

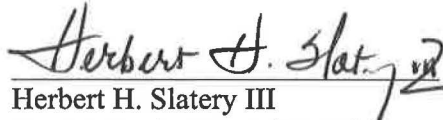
**STATE OF TENNESSEE**

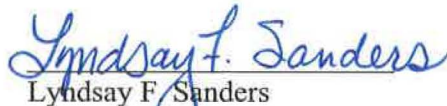
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STERICYCLE, INC., No. 08-CV-2390 (N.D. Ill.), Signature Page

FOR THE STATE OF TENNESSE, ATTORNEY GENERAL:

DATED: Oct. 9, 2015

BY:

  
Herbert H. Slatery III  
Tennessee Attorney General

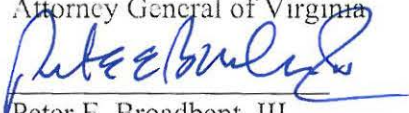
  
Lyndsay F. Sanders  
Senior Counsel  
Anna M. Waller  
Assistant Attorney General  
Office of the Attorney General and Reporter  
P.O. Box 20207  
Nashville, TN 37202-0207

**COMMONWEALTH OF VIRGINIA**

Dated: October 20, 2015

MARK HERRING  
Attorney General of Virginia

By:



Peter E. Broadbent, III  
Assistant Attorney General  
Division of Debt Collection  
Office of the Attorney General  
Post Office Box 610  
Richmond, VA 23218-0610  
(804) 786-6055  
pbroadbent@oag.state.va.us

*Attorney for the Commonwealth of Virginia*

# EXHIBIT A



## SETTLEMENT AGREEMENT

This Agreement of Settlement ("Agreement") is entered into by and between Plaintiff-Relator Jennifer Perez ("Relator"), and defendant Stericycle, Inc. ("Stericycle"), through their authorized representatives. Relator and Stericycle are collectively the "Parties."

### RECITALS

#### WHEREAS:

A. Stericycle, based in Lake Forest, Illinois, is a provider of regulated medical waste management services and pharmaceutical returns services to medical offices, hospitals, other health care providers, and other entities. Stericycle does or has done business with government customers at the federal, state, and local government level ("Government Customers").

B. Relator is an individual resident of the State of Illinois. On April 28, 2008, Relator filed a *qui tam* action in the United States District Court for the Northern District of Illinois captioned *United States of America ex rel. Jennifer D. Perez v. Stericycle, Inc.*, Case No. 1:08-cv-2390 (hereinafter referred to as the "Action").

C. On June 28, 2010, Relator filed an Amended Complaint adding the States of California, Delaware, Florida, Illinois, Indiana, Nevada, New Hampshire, New Jersey, New York, North Carolina, Rhode Island, Tennessee, the Commonwealths of Massachusetts and Virginia, and the District of Columbia (except for New Hampshire and New York, "Government Entities") as plaintiffs and alleging claims for relief under the respective state false claims law on behalf of state and local governmental agencies, as applicable.

D. On July 23, 2013, Relator filed her Second Amended Complaint ("SAC") in which she alleged claims on behalf of the Government Entities. The SAC dropped any claims on behalf of the State of New Hampshire. The SAC alleges Stericycle improperly increased its

service price to certain government customers, from January 1, 2003 until June 30, 2014, without consent of the Government Customers or contractual authorization, resulting in overpayment for products and services ("Covered Conduct").

E. Stericycle denies all allegations of wrongdoing in connection with the Covered Conduct, and this Agreement shall not be construed as an admission of any wrongdoing or liability by Stericycle.

F. Neither the United States, any State, or the District of Columbia has intervened in the Action.

G. Relator claims an entitlement to a share of the proceeds of this Agreement, the terms of which are incorporated in a separate agreement between Relator and the Government Entities, and to reasonable attorneys' fees, costs, and expenses under the federal False Claims Act and its state analogues.

H. The Attorneys General for the States of California, Florida, New Jersey and Rhode Island do not represent all governmental entities within their states under their respective false claims acts, including local governmental or political subdivision customers within their States, which were also allegedly affected by the Covered Conduct ("Affected Local Governmental Customers"). The Attorneys General of California, Florida, New Jersey and Rhode Island will provide effective notice of the Settlement to each Affected Local Governmental Customer pursuant to Paragraphs 8 and 9 of this Agreement.

NOW THEREFORE, to avoid the delay, uncertainty, inconvenience, and expense of protracted litigation of the above claims, and the unique remedies and penalties exclusively available under the federal False Claims Act and its state analogues, and in consideration of the mutual promises and obligations of this Agreement, Relator and Stericycle agree as follows:

1. Stericycle agrees to pay \$26,750,000.00 ("Settlement Sum") plus \$1,750,000.00 ("Attorneys' Fees Settlement Sum"), for a total payment amount of \$28,500,000.00 ("Total Payment Sum"). Stericycle will pay the Settlement Sum to a third party as described below. The allocation of the Settlement Sum between the Government Entities has been determined by and among the Government Entities without any involvement by or input whatsoever from Stericycle or Stericycle's counsel. In addition, Stericycle alone agrees to pay the Attorneys' Fees Settlement Sum in full and final satisfaction of any claims by Relator and Relator's Counsel for reasonable expenses, attorneys' fees, and costs. The Total Payment Sum resolves any and all claims that were alleged on behalf of the Government Entities by Relator in the Action and Relator's claim for attorneys' fees, costs, and expenses under 31 U.S.C. § 3730(d) and analogous provisions of state False Claims Acts.

2. No later than fourteen (14) days after the Effective Date of this Agreement, Stericycle shall pay, pursuant to written instructions from Relator's counsel, the Settlement Sum to the third party administrator, Garden City Group, LLP. No later than fourteen (14) days after receiving payment of the Settlement Sum from Stericycle, Garden City Group, LLP shall distribute the Settlement Sum to the Government Entities pursuant to written instructions provided by the Government Entities. No later than fourteen (14) days after the Effective Date of this Agreement, Stericycle shall pay the Attorneys' Fees Settlement Sum to and in the manner directed by Relator's counsel.

3. Stericycle shall comply with all applicable state and/or federal laws, rules, and regulations as now constituted or as may hereafter be amended.



4. Relator affirms that this Agreement is fair, adequate, and reasonable under all the circumstances in accordance with 31 U.S.C. § 3730(c)(2)(B) and similar state statutes, and promises not to challenge the terms of this Agreement.

5. A stipulation of dismissal with prejudice will be filed, along with the Government Entities consent to dismissal, if so required, fourteen (14) calendar days after payment is received by all Government Entities pursuant to paragraph 2.

6. Other than payment of the Attorneys' Fees Settlement Sum, each party to this Agreement shall bear its own attorneys' fees and costs.

7. Subject to the other provisions and limitations set out in this Agreement and effective as of the receipt of the Total Payment Sum, Relator, on behalf of herself, and for her heirs, successors, attorneys, agents, and assigns, hereby agrees to and shall release Stericycle, and each of Stericycle's respective past and present affiliates, parents, subsidiaries, divisions, branches, departments, predecessors, successors, assigns, and the heirs, principals, employees, associates, owners, stockholders, devisees, agents, distributors, directors, officers, representatives, insurers, attorneys, and predecessors and successors in interest from any and all claims that she may have against Stericycle in her own right or that she brought in the Action for the Covered Conduct, including but not limited to claims under the federal False Claims Act, 31 U.S.C. §§ 3729-3733 and/or its state analogues.

In connection with the foregoing, Relator acknowledges that she is familiar with and hereby waives and relinquishes any and all rights and benefits she may have under the laws of any state, similar to and including Section 1542 of the California Civil Code, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing

the release, which if known by him must have materially affected his settlement with the debtor.

8. Within ten (10) business days of the Effective Date, Stericycle will provide the Attorney General's Offices in California, Florida, and New Jersey with sufficient contact information of presently-known government customers in the respective State to allow them to provide effective notice to each Affected Local Governmental Customer ("Contact Information"). Within 45 business days of the date by which the Attorney General's Offices in California, Florida, and New Jersey receive the Contact Information, the Attorney General's Offices in California, Florida, and New Jersey will provide to each Affected Local Governmental Customer its check along with a letter or other notification that contains the following language in boldface text: **"By accepting and depositing the enclosed check within 60 days of its issuance, you are consenting to the provisions of the enclosed Settlement Agreement, including the provisions in paragraph 7 of the Agreement. If you do not deposit the enclosed check within 60 days of its issuance, you will forfeit your pro rata share of the settlement proceeds."** Rhode Island has received the Contact Information from Relator's counsel and will provide to each Affected Local Governmental Customer its check along with a letter or other notification that contains the language cited above. Contemporaneous copies of the notification will be provided to Stericycle. Any amounts that an Affected Local Governmental Customer does not timely deposit under this paragraph shall be retained by the State where that Affected Local Governmental Customer is located.

9. Each Affected Local Governmental Customer in California, Florida, New Jersey and Rhode Island will have 60 days of the issuance of the check and letter or other notification described in the above paragraph, to review the Notification, seek additional information, if

needed, from the Attorney General's Offices in those states, and decide whether to consent to the settlement consistent with the terms set forth in paragraph 8 herein. An Affected Local Governmental Customer's failure to deposit the check within 60 days of its issuance will not result in any increase in the pro rata share of the settlement funds to which any other Affected Local Governmental Customer is entitled under the terms of this Agreement.

10. Subject to the other provisions and limitations set out in this Agreement and effective as of the receipt of the Total Payment Sum, Stericycle, for itself as well as for each of Stericycle's respective past and present affiliates, parents, subsidiaries, divisions, branches, departments, predecessors, successors, assigns, and the heirs, principals, employees, associates, owners, stockholders, devisees, agents, distributors, directors, officers, representatives, insurers, attorneys, and predecessors and successor in interest, does and hereby agrees to and does release Relator, her heirs, successors, attorneys, agents, and assigns from any claim (including attorneys' fees, costs, and expenses of every kind and however denominated) that Stericycle has asserted, or could have asserted, or may assert in the future against Relator and her heirs, successors, attorneys, agents, and assigns, including without limitation, claims related to the Covered Conduct and the investigation and prosecution thereof.

In connection with the foregoing, Stericycle acknowledges that it is familiar with and hereby waives and relinquishes any and all rights and benefits it may have under the laws of any state, similar to and including Section 1542 of the California Civil Code, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

11. Relator and her counsel agree that all documents, data, or other information



provided or produced to Relator by Stericycle in connection with or related to the Action, will be

(1) returned to counsel for Stericycle; or

(2) destroyed and Relator will certify in writing that all such information was destroyed;

within thirty (30) days of the dismissal of the Action.

12. Documents provided or produced by Stericycle to the States of North Carolina and Tennessee and the Commonwealths of Massachusetts and Virginia, will be treated as and kept confidential to the extent provided by law.

13. Each party and signatory to this Agreement represents that it freely and voluntarily enters into this Agreement without any degree of duress or compulsion.

14. This Agreement is governed by the laws of the State of Illinois. The exclusive jurisdiction and venue for any dispute relating to this Agreement is the United States District Court for the Northern District of Illinois.

15. This Agreement constitutes the complete agreement between the Parties. This Agreement may not be amended except by written consent of each of the Parties.

16. The undersigned counsel represent and warrant that they are fully authorized to execute this Agreement on behalf of the person and entities indicated below.

17. For purposes of construing this Agreement, this Agreement shall be deemed to have been drafted by all Parties to this Agreement and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

18. This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Agreement. Facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.



19. This Agreement is binding on Stericycle's successors, transferees, heirs, and assigns.

20. This Agreement is binding on Relator's successors, transferees, heirs, and assigns.

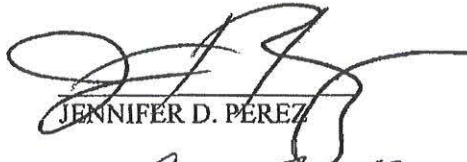
21. The Parties agree that either Party may disclose this Agreement publicly, but all other information related to this Action or this Agreement that has not been publicly filed or is not a matter of public record is confidential and may not be disclosed by either of the Parties for any reason, except as otherwise required by law or court order.

22. This Agreement is effective on the date the last party signs this Agreement ("Effective Date").

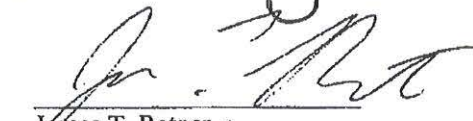
IN WITNESS WHEREOF, the Parties have executed this Agreement.

**JENNIFER D. PEREZ**

DATED: Oct. 6, 2015

  
JENNIFER D. PEREZ

DATED: October 5, 2015

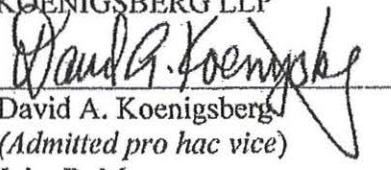
  
James T. Ratner  
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DATED: Oct. 6, 2015

MENZ BONNER KOMAR &  
KOENIGSBERG LLP

By:

  
David A. Koenigsberg  
(Admitted pro hac vice)

John R. Menz

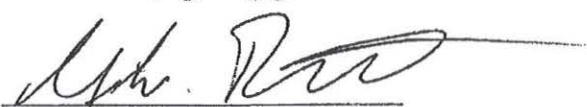
444 Madison Avenue, 39<sup>th</sup> Floor

New York, New York 10022

Tel.: (212) 223-2100

Email: dkoenigsberg@mbkklaw.com

DATED: 10/6, 2015

  
Michael C. Rosenblat

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Northbrook, Illinois 60062-2841

Tel.: (847) 480-2390

Email: mike@rosenblatlaw.com

*Attorneys for Plaintiff-Relator*

*Jennifer Pérez*

STERICYCLE, INC.

DATED: October 8, 2015

BY:

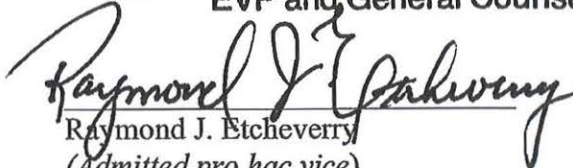
NAME:

**John Schetz**

TITLE:

**EVP and General Counsel**

DATED: October 8, 2015

  
Raymond J. Etcheverry  
(Admitted pro hac vice)

Cory D. Sinclair (Admitted pro hac vice)

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*Counsel for Defendant Stericycle, Inc.*